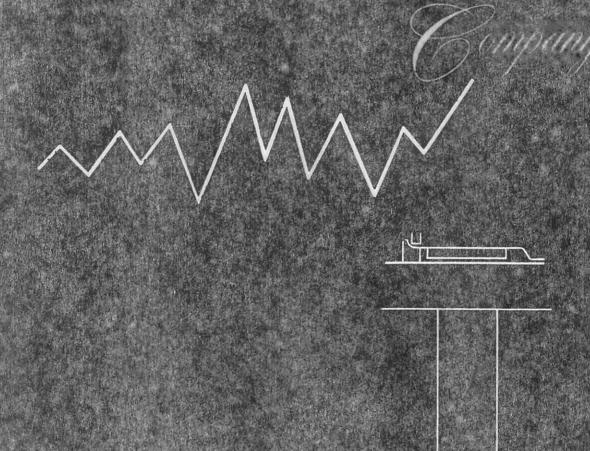
n NEW PARK MINING



1952 ANNUAL REPORT



TOTAL INCOME \$1,730,830.94

THE MINING industry has been subjected to some very serious economic fluctuations during the post-war years. In January, 1949 prices of copper, lead and zinc were at an all time high, and within six months had dropped so low that we were forced to cease ore production for a period of 3 months. During the latter part of 1949 and the first 6 months of 1950, metal prices increased but still have not equalled the high point of January, 1949. During 1950 the unit costs to New

tons in 1949 to 70,480 tons in 1950. The average combined assays of lead and zinc increased from 10.62 percent in 1949 to 10.71 percent in 1950. The average silver assay increased 4 percent, and the gold assay increased 25 percent. Average copper assay remained the same for the 2 years.

The dollar value of the ore in 1950 was \$24.39 per ton compared to \$24.09 in 1949. Metal price variations were such that the payment received per unit of lead and zinc combined

Highlights of 1952



EW PARK completed its 12th consecutive year of dividend payments, in spite of the drastic reductions of lead-zinc market prices.

The new Nordberg hoist installation was completed and the hoist placed in operation on November 2, 1952.

The Mayflower and Pearl fissures were opened on the new 1630 level. The mineralization in this area appears to be stronger than on upper levels.

A new 2-year union contract was signed, incorporating the wage scale as determined by a decision of the Wage Stabilization Board. This decision also settled wage negotiations pending since July 1, 1951.

Development work continued on 3 projects under provisions of the Defense Minerals Administration contract. The DMA pays 50% of this cost.

New Park continued operations as the only operating mine in Park City in spite of low metal prices and higher labor, ore treatment and freight costs. Cooperation of our employees contributed to the success of our operating plans.

Our exploration was expanded to include work at the Flagstaff, Gold Queen, Park Galena and Snake Creek areas.



New Park Mining Company

KEETLEY, UTAH

SALT LAKE CITY OFFICE 904 WALKER BANK BUILDING

May 29, 1952

Mr. and Mrs. Ralph A. Ingels Heber City, Utah

Dear Mr. and Mrs. Ingels:

The rise and fall of all institutions is controlled by a series of challenges and responses.

The present challenge is for us to meet a situation of rising costs of labor and supplies while the prices of metals we mine are falling.

Regardless of the amount of retroactive pay increase the WSB decides shall be paid - and we will pay this promptly and with good feeling - we are confronted with the difficult problem of operating with increased costs and lowered income. Labor costs exceed 53% of all income, and with the new increased wages and lower metal prices a new approach must be found that will keep our company operating on something other than a minimum production basis.

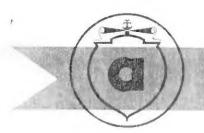
The remedy will call for genuine cooperation and careful planning. We are exploring every possible avenue to find the solution of this problem and are sending you a copy of our latest annual report which we have endeavored to simplify to aid you in understanding the picture it presents.

We ask you to give us the benefit of your reaction after reading the report which is addressed to you as well as to the shareholders, since we are all partners in the same enterprise and all have a stake in its success.

We are proud of our record for overcoming obstacles in the past and believe they can be turned into opportunities if we follow the example of the Three Musketeers, whose motto was, "One for all and all for one."

Sincerely.

ellene



TOTAL INCOME - \$1,909,366.40

Receipts from Smelters and Miscellaneous Income

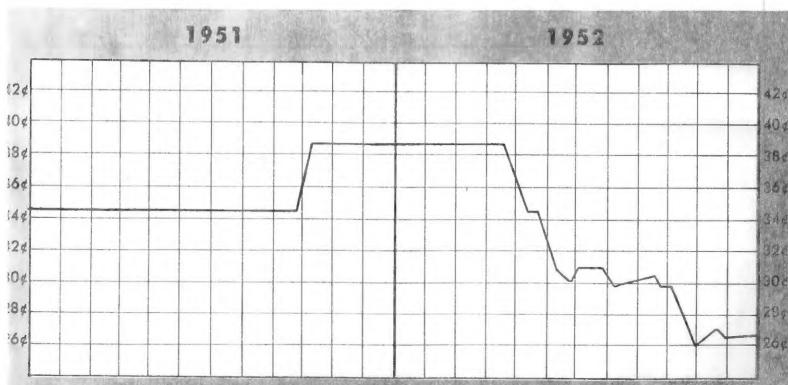
Our 1952 income from ore sales was seriously affected by a drastic decrease in the prices of lead and zinc. The reduction in these metal prices began on April 29, and at the end of the year the combined prices of the two metals had decreased by 27%. A graph of these changes is presented at the bottom of this page. Further price decreases have taken place since December 31, 1952, and at the present time the combined price cut amounts to more than 40%, compared to the first few months in 1952.

The efficient operation of our industry has been hampered during the past few years by controls that limited our income from metal sales. During this period of price control, the Government financed foreign production of lead and zinc mined under wage scales much lower than our own. This metal sold on foreign markets at prices much higher than ours. As the de-

mand for these metals decreased, the foreign production that we had subsidized has been sold on our domestic market and drastic decreases in price resulted.

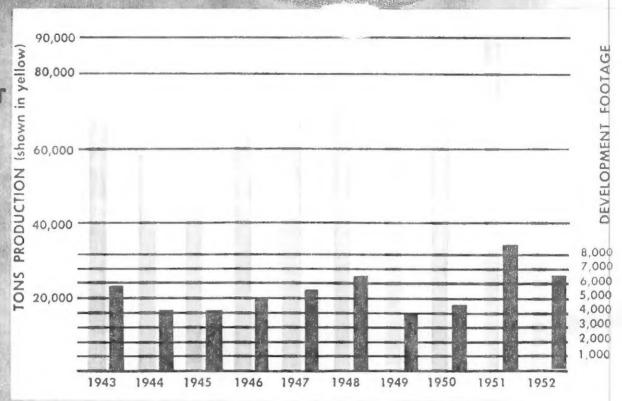
Domestic production and consumption of zinc in 1952 indicated a need for 225,000 tons from outside sources. Approximately 565,000 tons were imported. Imports of lead in 1951 were 248,000 tons, but in 1952 an all-time high of 615,000 tons of foreign lead reached our markets! The large surplus of lead and zinc resulting from these excessive imports, naturally, resulted in the metal price drops.

New Park is but one of many mining organizations that have been affected by these problems. At least 15 large lead-zinc mines have closed down their operations across the United States, with a resulting loss of employment for 2,000 people. Not only are we losing domestic



JAN, FEE, MAR, APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC. JAN. FEE, MAR, APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC.

DEVELOPMENT
FOOTAGE
AND ORE
PRODUCTION
(10 Year Period)



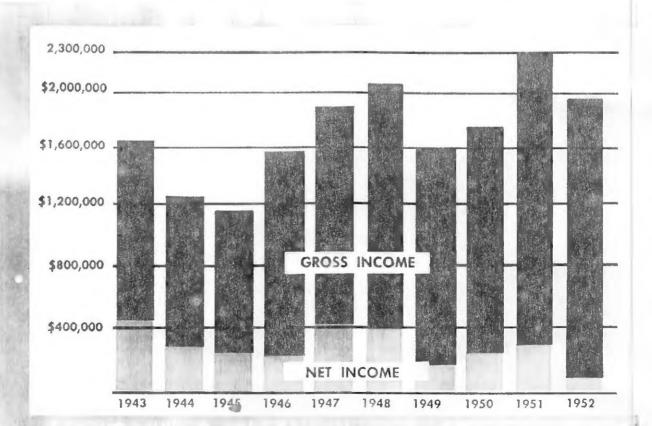


production but, more important, the exploration and discovery of ore reserves for the future is being discontinued. There is an old axiom in the mining business that "We must continue to mine ore to help us find new ore." This is still true today, and is the basic reason that some action must be taken

to insure a continued, healthy mining industry.

Representatives of the mining industry have formed a National Lead and Zinc Committee to activate legislation for a sliding scale stabilized import tax on lead and zinc. The principle of this plan is to provide such a tax whenever the prices for these metals

GROSS
AND NET
INCOME
(10 Year Period)



share. Net working capital at the end of the year was \$335,029.68 and the working capital ratio increased to 2.8 from 2.5 in 1951.

During the last part of the year, as metal prices dropped, the New Park management maintained a firm policy to continue mining operations so long as we could show any profit or provided that our losses were negligible. There are several good reasons for such policy.

(1) An underground mine cannot be shut down temporarily and reopened at a future date unless the property is maintained in good order by experienced repair crews. Timber rots, openings cave in, pumps and other mechanical equipment must be kept in good operating condition

(3) New opportunities are continually opening in the mining field to companies that are active in the business. We want to be in a position to take advantge of such opportunities as they arise. This is important to the future of New Park.

epermis and microaning new ore reserves

(4) Much time, effort, and investment have been expended in developing the personnel of our organization and it would be a real loss to the Company to shut down and disband our working force.

We are confident that continued operations at this time are a valuable investment in the future of all concerned with the New Park Mining Company.



An aerial view of the surface plant at the portal of the Mayflower Tunnel.



COST of USING TOOLS - Profit

\$70,610.31

The 1952 net income of \$70,610.31 was lower than in previous years due to the economic conditions of the metal markets considered in the discussion of our 1952 income. Net income amounted to 2.3 cents per share of outstanding stock. For the 12th consecutive year a dividend was paid to our 3,412 stockholders. This was at the rate of 3 cents per share and was paid on 3,045,228 shares. Dividends paid by New Park now total \$2,190,251.69, or 73 cents per share. Net working capital at the end of the year was \$335,029.68 and the working capital ratio increased to 2.8 from 2.5 in 1951.

During the last part of the year, as metal prices dropped, the New Park management maintained a firm policy to continue mining operations so long as we could show any profit or provided that our losses were negligible. There are several good reasons for such policy.

(1) An underground mine cannot be shut down temporarily and reopened at a future date unless the property is maintained in good order by experienced repair crews. Timber rots, openings cave in, pumps and other mechanical equipment must be kept in good operating condition and there are certain overhead accounts that continue, regardless of the operating status of a property. These expenses are substantial, and would soon consume the cash reserves of our Company if we were to cease operations.

- (2) The future of the Mayflower Mine depends upon an active exploration program. By continuing our mining operations we have maintained exploration and development that is opening and increasing new ore reserves.
- (3) New opportunities are continually opening in the mining field to companies that are active in the business. We want to be in a position to take advantge of such opportunities as they arise. This is important to the future of New Park.
- (4) Much time, effort, and investment have been expended in developing the personnel of our organization and it would be a real loss to the Company to shut down and disband our working force.

We are confident that continued operations at this time are a valuable investment in the future of all concerned with the New Park Mining Company.







DIRECTORY

New Park Mining Company

	(A NEVADA CORPORATIO	ON) Organized May 2, 1932	
	ORVEL BONNETT	F. STILLMAN ELFRED	
DIRECTORS	FRASER BUCK	PETER JORALEMON	
	ROBERT L. CRANMER	CLARK L. WILSON	
	W. H. H. CRANMER	R. C. WILSON	
OFFICERS	W. H. H. CRANMER President & General Manager	ROBERT L. CRANMER Secretary	
	CLARK L. WILSON Vice President & Manager of Operations	R. C. WILSON Treasurer	
		SER BUCK y to the Board	
MINE STAFF	PETER JORALEMON Superintendent	J. EARL SMITH Industrial Relations Mgr.	
	WILLIAM A. MAIR Mine Foreman	F. A. KUHLMAN Chief Engineer	
	HOWARD L. BERRY Master Mechanic	WALTER E. BAUER Chief Geologist	
		D. HARPER & Purchasing Agent	
ATTORNEY	Robert L. Cranmer, 901 Walker Bank Bldg., Salt Lake City, Utah.		
ransfer	Irving Trust Company, One Wall Street, New York 15, N. Y.		
AGENTS and			
REGISTRARS	American Trust Company, Transfer Agent, San Francisco, California.		
	Wells Fargo Bank & Union Trust Co	ompany, Registrar, San Francisco, California.	
	GENERAL OFF	ICES, KEETLEY, UTAH	
	Park City, P. O. Box 929 Phone Park City 50		
	Park City, P. O. Box 929		

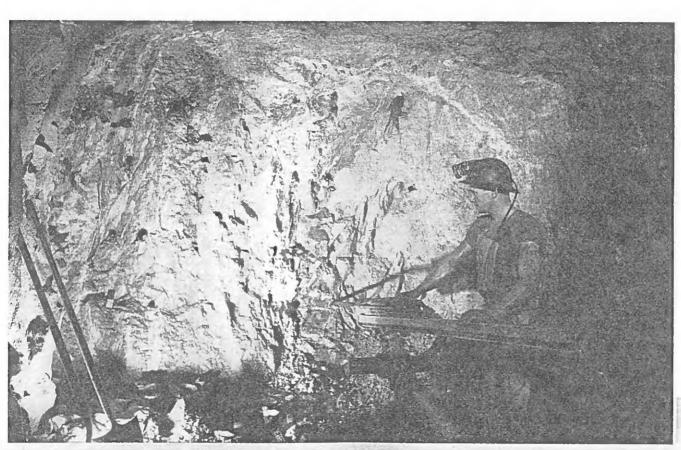
Notice of Annual Stockholders' Meeting, Proxy and Proxy Statement will be mailed on or about May 18, 1953. This Annual Report is not a part of the Proxy soliciting material nor is it to be used as such.

Phone 22-5547

start to the East. A new geological structure called the No. 3 fissure has been intersected between the Mayflower and the Pearl. This will be developed by drifing in the near future. The Pearl fissure still has the gold values noted in upper levels and also has a strong concentration of base metals. A new hoist room has been constructed on this level and a small hoist will be

nage. This will be checked in the near future with diamond drill holes.

The Defense Minerals Administration projects were completed at the East Utah Mining Company property last July. Some interesting and valuable geological information was obtained in this work, but mineralization was not sufficient to warrant further exploration at this time.



Shorty Trimble drills a round in the Mayflower Fissure on the 1630 level.

STATEMENT OF INCOME and EARNED SURPLU

for the year ended December 31, 1952

INCOME FROM ORE SALES:		
Gross smelter settlements .	\$2,269,728.51	
Less: Treatment charges, freight, and other smelter deductions	380,758.45	
		\$1,888,970.06
COST OF MINING AND OTHER EXPENSES:		
Cost of mining	1,509,943.33	
Provision for depreciation General and administrative expenses	58,744.26 143,584.49	
Leased and other property expense Taxes—other than federal income tax	1,299.78 55,514.45	
Taxes—offer than rederar metale tax	77974 10 17	1,769,086.31
INCOME FROM MINING		119,883.75
MISCELLANEOUS INCOME:		
Interest on United States Treasury Bonds Miscellaneous income	7,825.00 12,571.34	
Wiscendie Heorie	,//11.//1	20,396.34
		140,280.09
EXPLORATION AND DEVELOPMENT EXPENSES		66,841.39
EATLORATION AND DEVELOTIBLE LAND.		TOTAL TANK
INCOME BEFORE PROVISION FOR FEDERAL INCOME TAX.		73,438.70
PROVISION FOR FEDERAL INCOME TAX		2,828.39
NET INCOME FOR YEAR CARRIED TO EARNED		
SURPLUS—note 1.		70,610.31
EARNED SURPLUS: Balance at January 1, 1952		1,255,559.54
		1,326,169.85
Deduct:		
Dividends paid—three cents per share. Adjustments applicable to 1951	91,257.54 17,708.23	
		108,965.77
EARNED SURPLUS AT DECEMBER 31, 1952.		\$1,217,204.08

NOTE 1. The net income is stated without provision for depletion in accordance with the method of accounting and reporting consistently followed by the company. For federal income and state franchise tax purposes, depletion has been computed on a percentage of income basis, which for the year 1952 amounted to \$65,565.14 and \$36,885.72, respectively.



BALAN

\$3,444,650.57

NEW PARK MINING COA

ASSETS

CURRENT ASSETS:		
Cash on deposit United States Treasury Bonds—note 1 Accounts receivable: Smelter settlements \$80,121.56	\$ 51,658.63 321,787.19	
Sundry accounts receivable	85,379.19	
Inventories of mine materials and supplies—at cost . Prepaid expenses	44,267.39 17,725.57	
Total current assets		\$ 520,817.97
FIXED ASSETS:		
Mine property and claims—at cost Leasehold advances	1,972,063.67 23,353.36	
Development costs	1,995,417.03 434,816.99	
Plant and equipment—at cost	2,430,234.02	
Land—Village Townsite and Ranch	317,873.68 10,640.60	
		2,758,748.30
CAPITAL STOCK OF OTHER CORPORATIONS, AT COST—note 2:		
Oil Incorporated (quoted market value, \$428,190.00) East Utah Mining Company (quoted market value,	84,138.00	
\$156,576.98) Other companies (no quoted market value)	68,579.55 3,514.00	
		156,231.55
OTHER ASSETS:		
Cash surrender of life insurance on lives of officers and key employees Premium deposit—Pacific Employer's Insurance Company	6,352.75 2,500.00	
		8,852.75



- AT DECEMBER 31, 1952

LIABILITIES & CAPITAL

CURRENT LIABILITIES:

Notes payable—First Security Bank of Utah, N. A., pay-	6 43 333 33	
able February 18, 1953, interest 3%—note 1	\$ 40,000.00	
Accounts payable—general creditors	28,375.04	
Accounts payable—East Utah Mining Company	3,997.11	
Dividends payable	34,897.13	
Accrued pay rolls .	40,623.47	
Accrued taxes payable	32,619.71	
Employees' deductions for United States Savings Bonds	279.25	
Other accounts payable	4,863.25	
Accrued interest on notes payable	133.33	
Total current liabilities		\$ 185,788.29

CAPITAL AND SURPLUS:

Common (capital	stock—n	onassessable:
----------	---------	---------	---------------

The supreme suprementation of the suprementa		
Authorized and issued 3,500,000 shares at a par value of \$1.00 each	1.511:11:11	
Less: Treasury stock—458,082 shares (100,000 shares subject to options to executive officers and key personnel).	458,082.00	
Outstanding-3,041,918 shares .	3,041,918.00	
Deduct: Adjustments for discounts less premiums on treasury stock issued or acquired	1,000,259.80	
Earned surplus at December 31, 1952.	2,041,658.20 1,217,204.08	
Total capital and surplus at December 31, 1952		3,258,862.28
		\$3,444,650.57

NOTE 1: United States Treasury Bonds having a face value of \$50,000.00 have been pledged as security for the note payable to First Security Bank of Utah, N. A.

NOTE 2: The investment in Oil Incorporated represents the acquisition cost of 85,638 shares, equal to 19.80 per cent of its total outstanding shares at December 31, 1952. The shares are quoted "over-the-counter" but the stock is not listed on any exchange. Shares aggregating 77,025 are held by the first Security Bank of Utah, N. A., as escrow agent, and cannot be released for sale or transfer without the written consent of the California Corporation Commissioner. The investment in East Utah Mining Company comprises 1,118,407 shares, equal to 34.679 per cent of its total outstanding shares at December 31, 1952. Investment in companies other than Oil Incorporated and East Utah Mining Company consists of 146,000 shares of Park City Chief Mining Company stock valued at \$1,125.00. These are not listed securities and have no quoted market value. Stock of other companies amounts to \$101.00.

22

tion was provided through cooperation of the Salt Lake Area Vocational Training School and was based on recommendations of a committee representing our staff members.

ety record for 1952 showed imover previous years, through cof all employees. The duties of the neer have been consolidated with distant mine foreman, since safety an important part of operation rtion. The U. S. Bureau of Mines need to cooperate in training our need to coope

gain, we held a New Park Day ployees and their wives. The armore were planned by a committee of and included such activities as orseshoe pitching, nail driving bingo for the ladies, and the day ed by a chicken dinner, program to Some of these activities are the pictures at the right.

close of 1952 we had 263 emonth these had over 15 years' servation had over 10 years. At the present of our employees have been or more than 5 years, indicating a trend of establishing a stable rece. The New Park investment to apployment for each worker is now tely \$14,000. This emphasizes the experiment of the mutual rights and responsificients of the mutual rights and responsificients.



Mr. Cranmer with a group of employees at New Park Day outing.



A three-legged race is part of the New Park Day activities.



Employees and their wives watch the softball game.

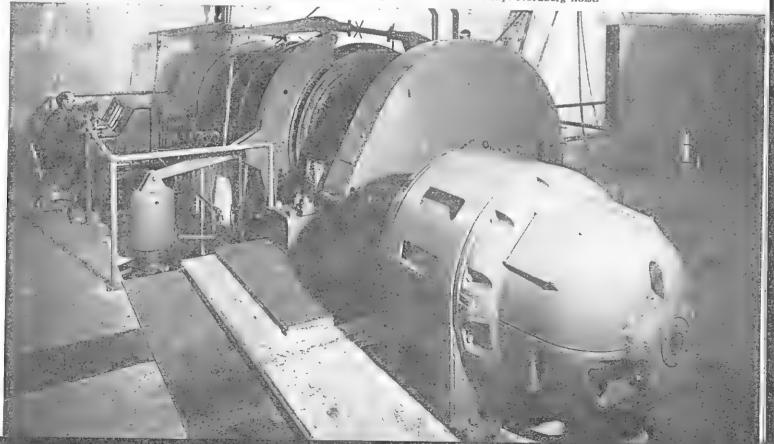
This requires constant analysis of unit mining costs by the engineering staff to determine changes or improvements in our operating procedures.

Recent tests have shown that diesel-powered locomotives can be used in the Mayflower tunnel in place of the present electric locomotives that use storage batteries. This will reduce the operating costs for haulage and will also result in reduced expenditures for replacement of equipment by eliminating the need for storage batteries in this operation.

Most of our timber is now purchased pre-

one will hoist at speeds twice as fast and can handle double the load for much greater depths. This hoist is adequate to service our Mayflower shaft for many years in the future. The old hoist is being reconditioned and will be used in the third compartment of the shaft for auxiliary hoisting of men and supplies. Another addition to the new hoisting equipment is the installation of new crossheads on the cages and skips. These have been obtained from Canada at considerable expense and are designed to provide for a maximum of safety in all hoisting operations.

Leslie McPhie, one of New Park's hoist engineers, operates the new 350 h.p. Nordberg hoist.





COST OF GOODS and SERVICES

Bought from Others - \$456,790.46

Approximately two-thirds of this expense consists of purchases of explosives, timber and miscellaneous mine supplies. The total charge for this account decreased approximately 19% compared to 1951. The management and operating departments are continually interested in acquiring mine supplies at the most reasonable price, and insuring their most efficient utilization. This requires constant analysis of unit mining costs by the engineering staff to determine changes or improvements in our operating procedures.

Recent tests have shown that diesel-powered locomotives can be used in the Mayflower tunnel in place of the present electric locomotives that use storage batteries. This will reduce the operating costs for haulage and will also result in reduced expenditures for replacement of equipment by eliminating the need for storage batteries in this operation.

Most of our timber is now purchased pre-

cut to standard lengths and is handled at the surface plant in bundles transported by fork-lift truck. This provides more efficient use of manpower with resultant lower handling costs.

The new Nordberg hoist was placed in operation during the latter part of 1952 and is proving to be an excellent addition to our operating equipment. Compared to the old hoist, the new one will hoist at speeds twice as fast and can handle double the load for much greater depths. This hoist is adequate to service our Mayflower shaft for many years in the future. The old hoist is being reconditioned and will be used in the third compartment of the shaft for auxiliary hoisting of men and supplies. Another addition to the new hoisting equipment is the installation of new crossheads on the cages and skips. These have been obtained from Canada at considerable expense and are designed to provide for a maximum of safety in all hoisting operations.



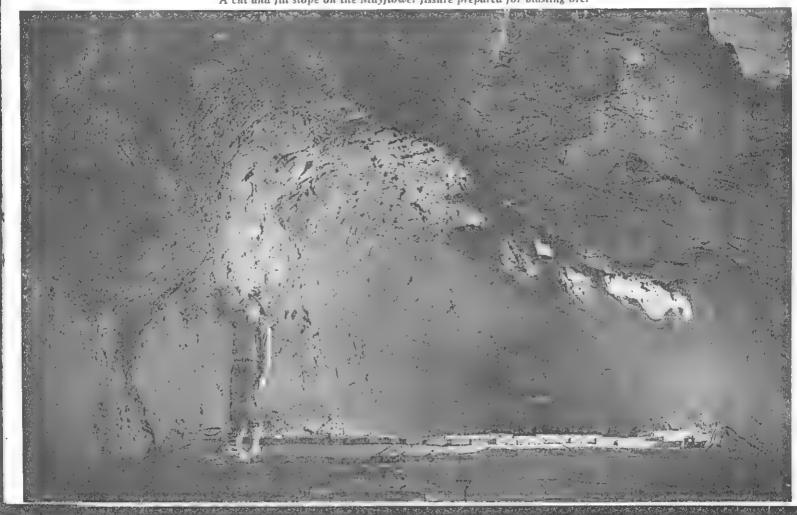


income amounted to 8¢ per share of outstanding stock. Of this, 6¢ per share or \$179,930.49 was paid to stockholders during 1950 as Dividends Nos. 18 and 19. Dividends were first paid on New Park stock in June, 1941 and have been paid each succeeding year for a 10-year period. Total dividends paid from 1941 to December, 1950 amount to \$1,908,381.17, or 64¢ per share. Net working capital increased from \$157,682.22 in 1949 to \$250,541.84 in 1950. The working capital ratio showed a corresponding increase from 1.6 to 1.8. Total operating costs per ton decreased from \$21.89 per ton in 1949 to \$21.04 in 1950.

This Company has assets of \$608,787.27 including \$187,786.10 in current assets and \$420,477.25 in property accounts. During 1950 New Park acquired 1,055,491 shares of East Utah Mining Company and at December 31, 1950, owned 1,118,407 shares or 34.68 percent of the outstanding capital stock of East Utah Mining Company and has voting control of the Company.

This property has been opened by the tunnel acquired from the General Connor Mining Co. An application has been submitted to the Defense Minerals Administration for financial assistance to prospect strands of known ore-producing fissures in the East Utah property.

A cut and fill stope on the Mayflower fissure prepared for blasting ore.



payments for the years 1949 and 1950:

	1949	1950
Corporation Tax\$	9,228.87	\$ 3,472.15
Wasatch County Tax	42,264.84	40,222.99
Occupation Tax	15,096.00	16,693.28
Federal Tax	22,800.37	61,637.36
_		
Total\$	89,390.08	\$122,025.78

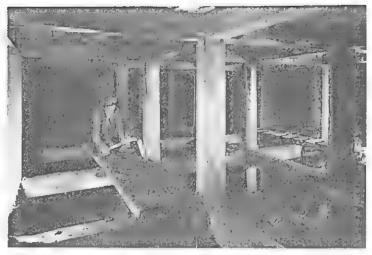
The change in this payment is mainly due to increased Federal Taxes which reflect increased Net Income from our mining operations during 1950 and also changes in the tax laws during the year.

est of Newmont Mining Corporation in the General Connor Mining Company. This gave New Park 100 percent ownership of the General Connor Mining Company which was subsequently liquidated and its assets transferred to New Park. These assets include 249 acres of patented mineral rights, 6500 feet of tunnel equipped with operating equipment and surface buildings and facilities.

The picture shown below is a photograph of the portal area of the General Connor tunnel. The tunnel entrance is at the extreme left. Buildings include facilities for shops, warehouse, changeroom, and office.

Connor tunnel portal facilities.





Austin Thomas works on the timber in the hoist room.

mud in the water and there is sufficient room to store the water during short interruptions in the power supply. All electrical equipment is installed in a fire resistant manner in a room excavated in solid rock. The accompanying photos present a complete picture of the equipment installation.

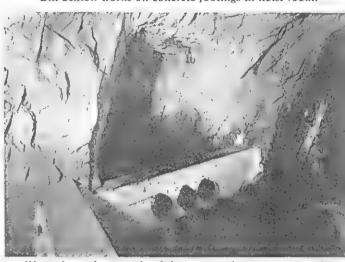
The installation of the new 350 h. p. Nordberg Hoist has been complicated by loose rock conditions in the excavation of the hoist room. All rock excavation is now completed. It has been necessary to support this rock with regular square set timber and to excavate in such a manner as to reduce excessive overbreak caused by open fissures in the rock. We are now installing arched steel suports. Reinforced concrete will be placed back of the steel to support the rock and seal off any water drippage. The Mayflower shaft has been raised 45 feet to accommodate new sheave wheels and a 190-foot cable raise has been completed from the hoist room to the top of the shaft.

The completed hoist room will be 60 feet long, 30 feet wide and 20 feet high. The accompanying photos illustrate the hoist as assembled at the factory, the size of the room and the timber necessary to support the rock during the process of excavation.

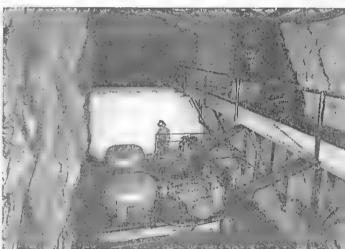
All of the major items of equipment for this installation have been purchased and are in stock. This project will be completed during 1951.



Bill Sexton works on concrete footings in hoist room.



Water from the 1380 level drains into the pump storage basin



Lee Johnson checks the operations of the new pumps on the 1380 level.

Bill Button adjusts electrical controls operating the pumps.



THIS ACCOUNT includes depreciation charges and other expenses and losses as indicated on the Statement of Income and Earned Surplus on Page 5. Of the \$100,347.98 charged to this cost in 1950, 67 percent represented depreciation on capitalized investments.

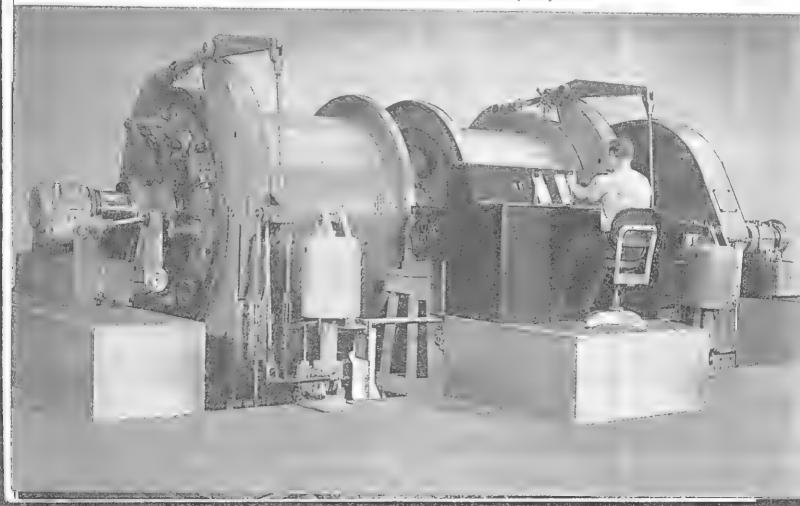
During the year New Park discontinued all oil operations at Sulphur Creek near Evanston, Wyoming. Our interests in this property were transferred to a Drilling Contractor to settle outstanding accounts for drilling and operating expense. Losses incurred in this work were completely written off in 1950.

New Park now controls approximately 21 per cent of the outstanding stock of Oil Incorporated. This Company has leases on property in favorable areas in Utah, Wyoming and Colorado and royalty agreements with the Continental Oil Company for a deep test at Castle Creek, Wyoming, and with Gulf Oil Company for similar work in the Uintah Basin in eastern Utah.

* * * *

During 1950 we installed 2 new large pumps on the 1380 level to replace worn out equipment and to provide greater pumping capacity. A stilling pond has been provided to settle excess

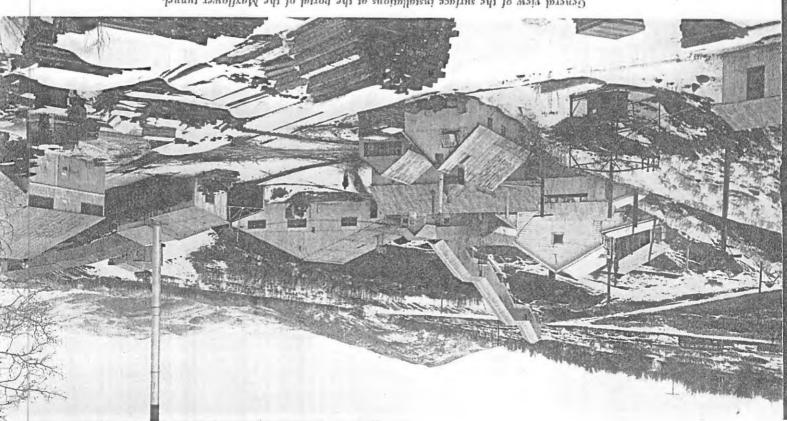
The new Hoist as it appeared assembled at the factory.





MAP OF NEW PARK HOLDINGS - PARK CITY AREA





General view of the surface installations at the portal of the Mayflower tunnel.

of Mines. instructors in cooperation with the U. S. Bureau employees were trained in first aid by New Park received mine rescue training. During 1950, 45 Station. New Park has 23 employees who have

cedure. ing to insure the safest possible production proference. Safety policies are discussed at this meet-All supervisors attend a monthly safety con-

ten to fourteen safe years. ployees received gold awards for having worked years were given to 44 employees, and 7 emfor completing five to nine no lost time accident time because of industrial injuries. Silver awards completing one to four years without losing any

Park City District in establishing a Mine Rescue We are cooperating with other mines in the

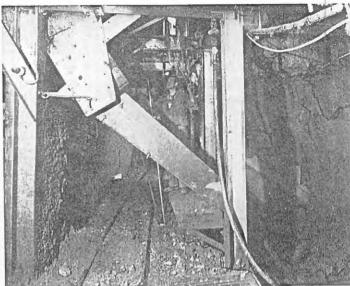
Miners load a stope round preparatory to blusting the ore.



Drilling equipment on the Mayllower fissure on the 1505 level.



Bill Mair, Foreman, and Ray Gilbert, Geologist, discuss operating procedures in the mine.

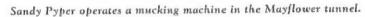


Lee Mayoh supervises dumping waste in gob raises on the 800 level.

Safety meetings have bene held at regular intervals with employees to give everyone an opportunity to stimulate safety and personal well being on the job. Safety hazards and their prevention are the principal topics of discussion. The group pictured in the lower right hand corner of the preceding page are shown in a safety meeting held during the luncheon period.

For the second year, Labor and Management representatives jointly made inspections of the Mayflower Mine. Workers are contacted at their working places to stimulate safety consciousness, to obtain safety suggestions and to discuss safety problems.

In recognition of outstanding safe service, 84 New Park employees received bronze awards for





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\$861,251.20

YOUR COMPANY has continued its effort to maintain progressive and cooperative relationships between employees, management and stockholders during the year 1950.

The number of employees increased during 1950 from 194 in January to 225 in December. New Park now has 32 employees with over 10 years' service and 52 with over 5 years' service.

In July a new agreement was signed with United Steel Workers of America C. I. O. Local Union No. 4264. Supplementing this agreement a new social insurance program was adopted for the benefit of all New Park employees. This includes health and accident, hospital and surgery and life insurance. The Company pays for each employee's coverage. Each worker pays for hospital and surgical insurance costs for his dependents. Employess may also participate in a retirement annuity insurance. The Company pays 61 percent of the total premium for this insurance and the employee 39 percent. The Company also pays the premium for workmen's compensation insurance, unemployment insurance and Federal Old Age Benefits. For every dollar paid in 1950 as employee's wages, New Park spent an additional 11¢ for the employee's benefits discussed above.



Carl Harper, Office Manager, supervises mailing of checks for Dividend No. 19.



George Richardson and Harvey Thompson repair tiin the Mayflower tunnel.



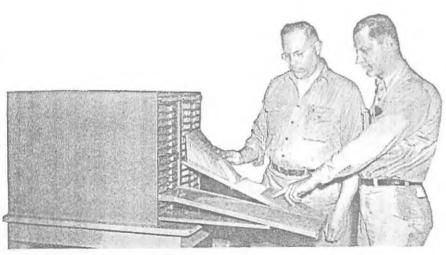
Howard Berry, Master Mechanic, presents Safety as to Ted Booth, Electrician.



Safety meetings are held during the lunch period in the mine.

THIS EXPENSE increased on a cost per ton basis by 11¢ over 1949. This, in part, reflects the inflationary increase in prices of mine supplies. During the year it has been necessary to repair and rebuild some of our mine cars and mechanical loading machines. In extending the vertical range of mining operations from the 600 to the 1505 levels, there has been increased power consumption for hoisting, pumping, ventilation and compressed air. It has also been necessary to replace some of our old drilling machines and rebuild and replace batteries used in battery motor haulage. Timber purchased decreased in 1950 compared to 1949. General expense items in 1950 decreased by 27 percent over previous years.

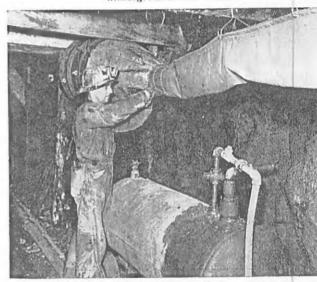
Better supervision of mine workings and mining methods has resulted from the cost analysis provided by our underground working place accounting system. Unit costs are available for both labor and materials in every working place, and these provide a means of evaluating results on a cost per ton basis. This also provides information to be used in planning future work in the mine.



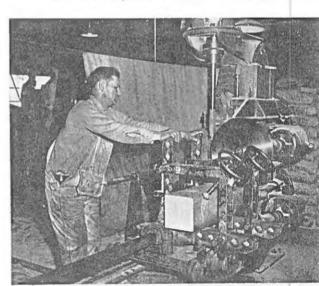
Jim Simpson and Fred Banks examine warehouse records.



Small tools are checked out from these underground tool houses.



Bill Cook adjusts mine ventilation equipment.



Doyle Norton operates a timber framing saw.